

ARIZONA DEPARTMENT ENVIRONMENTAL QUALITY



December 14, 2018

Via Electronic Mail

Florence Copper, Inc. Attn: Dan Johnson 1575 W. Hunt Highway Florence, AZ 85132

Re: Florence Copper Project

> Temporary Aquifer Protection Permit (APP), Compliance Schedule Item No. 2 Inventory No. 106360, Licensing Timeframe No. 71099

Dear Mr. Johnson:

Compliance Schedule Item (CSI) No. 2 of the Temporary APP, issued on December 5, 2019, requires submittal of a pre-operational report as described in permit Section 2.7.4.3. ADEQ has reviewed the preoperational documentation provided by Florence Copper and the Conditional Authorization to Commence Injection for the Production Test Facility, UIC Permit No. R9UIC-AZ3-FY11-1, signed by David Albright, Drinking Water Protection Section, EPA Region 9, dated December 14, 2018. ADEQ finds that the conditions of CSI No. 2 have been met and all pre-operational requirements have been completed per permit Section 1.0.

ADEQ notes that the EPA authorization letter requires several conditions to be met, and that one or more of these conditions may impact requirements in the Temporary APP. Florence Copper is required to apply for and receive a written amendment to the Temporary APP before deviating from any of the designs or operational practices specified by the permit per permit Section 6.9.

If you have any questions regarding this letter, please contact me at 602-771-6176.

Sincerely,

Devid W. Dunaway, Manager Groundwater Protection Value Stream

Water Quality Division

cc:

Maribeth Greenslade, ADEQ